

## SENATE BILL NO. 1126

## AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the House Committee on Rules

on February 12, 2019)

(Patrons Prior to Substitute--Senators Lucas, Carrico [SB 1503], and Lewis [SB 1706])

A BILL to establish the Gaming Study Commission to analyze the current gaming industry and proposals for the expansion of gaming in the Commonwealth; report; sunset.

**Be it enacted by the General Assembly of Virginia:**

1. § 1. A. The Gaming Study Commission (the Commission) is hereby established. The purpose of the Commission shall be to analyze the Commonwealth's existing gaming industry and proposals to expand gaming in Virginia, which include the following: (i) commercial casino gaming, (ii) in-person and online sports wagering, (iii) online and Internet gaming, (iv) tribal gaming, (v) historical horse racing, and (vi) electronic devices approved by the Virginia Alcoholic Beverage Control Authority to be placed in establishments licensed by the Authority.

B. The Commission shall consist of 15 members that include nine legislative members, three nonlegislative citizen members, and three ex officio members. Members shall be appointed as follows: five members of the House of Delegates to be appointed by the Speaker of the House of Delegates in accordance with the principles of proportional representation contained in the Rules of the House of Delegates, one of whom shall be the Chairman of the House Committee on General Laws; four members of the Senate to be appointed by the Senate Committee on Rules, one of whom shall be the Chairman of the Senate Committee on General Laws and Technology; one nonlegislative citizen member to be appointed by the Speaker of the House of Delegates; one nonlegislative citizen member to be appointed by the Senate Committee on Rules; and one nonlegislative citizen member to be appointed by the Governor. The Secretaries of Agriculture and Forestry, Commerce and Trade, and Finance shall serve as ex officio members. All members of the Commission, including ex officio members, shall have voting privileges. Prior to accepting appointment, each appointee shall attest that no conflict of interest exists

with respect to his service on the Commission and a potential applicant for a license or permit to conduct gaming in the Commonwealth. Nonlegislative citizen members shall be citizens of the Commonwealth.

C. The Commission shall elect a chairman and vice-chairman from among its legislative or executive branch membership. A majority of members of the Commission shall constitute a quorum. No recommendation of the Commission shall be adopted unless approved by a majority of the members.

D. Legislative members of the Commission shall receive such compensation as provided in § 30-19.12, and nonlegislative citizen members shall receive such compensation for the performance of their duties as provided in § 2.2-2813. All members shall be reimbursed for reasonable and necessary expenses incurred in the performance of their duties as provided in §§ 2.2-2813 and 2.2-2825. Compensation to members of the General Assembly for attendance at official meetings of the Commission shall be paid by the offices of the Clerk of the House of Delegates or Clerk of the Senate, as applicable. All other compensation and expenses shall be paid from existing appropriations to the Commission or, if unfunded, shall be approved by the Joint Rules Committee.

E. Administrative staff support shall be provided by the Office of the Clerk of the House of Delegates or the Office of the Clerk of the Senate, as may be appropriate for the house in which the chairman of the Commission serves, or, if the chairman is a member of the executive branch, the house in which the vice chairman serves. The Division of Legislative Services and the Joint Legislative Audit and Review Commission shall provide legal, research, policy analysis, and other services as requested by the Commission. All agencies of the Commonwealth shall provide assistance to the Commission, upon request. The Commission may contract with a third party to provide support and to assist in performing the Commission's work.

§ 2. The Commission shall first identify the policy goals of the Commonwealth with respect to the authorization of gaming, and it shall then identify the desired outcomes and objectives of the Commonwealth with regard to any proposal to expand or restrict gaming. In determining such outcomes and expectations, the Commission shall consider various aspects of gaming, including (i) economic and social impacts, (ii) revenue projections and revenue-sharing models, (iii) data integrity and management as it relates to sports wagering, (iv) unintended consequences, (v) impacts on host localities, adjacent

localities, and the greater surrounding region, and (vi) impacts on existing state agencies, including the Virginia Lottery, the Office of the Attorney General, the Virginia Alcoholic Beverage Control Authority, the Department of Agriculture and Consumer Services, the Department of Social Services, and the State Police. The Commission shall also analyze any existing rules, regulations, and laws that comprise the existing regulatory framework governing gaming in the Commonwealth and include, if applicable, specific recommendations for amending such framework governing gaming and the issuance of gaming licenses.

§ 3. The Commission shall submit final recommendations to the General Assembly by November 1, 2019.

2. That the provisions of this act shall expire on January 1, 2020.

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